

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

MICHAEL A. PARRELLA,

Petitioner,

v.

THE ORANGE RABBIT, INC. and
NICHOLAS GIACOPPELLI,

Respondents.

USDC-SDNY
DOCUMENT
ELECTRONICALLY FILED
DOC#:
DATE FILED:

20-CV-9923 (RA)

ORDER

RONNIE ABRAMS, United States District Judge:

Petitioner Michael Parrella is the former chief executive officer of ILKB, LLC, a kickboxing franchise. Respondent Nicholas Giacopelli is an ILKB franchisee who purchased three ILKB territories through his corporation, Orange Rabbit. In March 2019, Respondents commenced arbitration with Petitioner and three others—Scott Ferrari, the President of ILKB; Ryan Healy, ILKB’s Vice President; and ILKB itself—asserting that they had been fraudulently induced into purchasing the territories and suffered damages because the business was not profitable. On June 17, 2020, the Arbitrator issued an Award, granting Giacopelli and Orange Rabbit \$791,011.84 in compensatory damages, as well as pre-judgment interest, reasonable attorneys’ fees and costs, and reimbursement for any advances made for their JAMS fee obligations. Parrella, Ferrari, Healy, and ILKB were found jointly and severally liable for the Award. On November 25, 2020, Parrella filed the instant petition to vacate the arbitration. Healy, Ferrari, and ILKB are not parties to this action.

On January 15, 2021, Respondents filed a cross-motion to confirm the arbitration award, as well as a motion for joinder of ILKB, Healey, and Ferrari as required parties pursuant to Federal Rule of Civil Procedure 19(a)(1). Rule 19(a)(1) provides that:

A person who is subject to service of process and whose joinder will not deprive the court of subject-matter jurisdiction must be joined as a party if: (A) in that person's absence, the court cannot accord complete relief among existing parties; or (B) that person claims an interest relating to the subject of the action and is so situated that disposing of the action in the person's absence may: (i) as a practical matter impair or impede the person's ability to protect the interest; or (ii) leave an existing party subject to a substantial risk of incurring double, multiple, or otherwise inconsistent obligations because of the interest.

Fed. R. Civ. P. 19(a)(1). Respondents assert that this action will have “a direct impact on the obligations of . . . Healy, Ferrari, and ILKB, who are jointly and severally liable to Giacopelli and Orange Rabbit for \$1,184,594.53.” Dkt. 22 (Resp. Mem.) at 21. Respondents further assert that “Giacopelli and Orange Rabbit face the potential for multiple litigation and inconsistent rulings if [Healy, Ferrari, and ILKB] are not joined in this proceeding.” *Id.* at 21–22. Petitioner has not opposed the joinder motion. *See generally*, Dkt. 28 (Pet. Reply). Accordingly, the joinder motion is hereby GRANTED. Respondents shall serve Healy, Ferrari, and ILKB with A summons, the petition to confirm, and this order no later than April 29, 2021. Should Healy, Ferrari, and ILKB wish to file a motion to vacate the arbitration award or join in Parrella’s motion, they shall do so no later than May 15, 2021.

SO ORDERED.

Dated: April 15, 2021
New York, New York



RONNIE ABRAMS
United States District Judge